FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Losers outnumber gainers, 65 to 19; 19 unchanged

(Continued from page 110)

On the takeover scene, Diversifoods, the subject of a $15.50-per-share management buyout, hit a new low for the second straight week but recovered all but 38¢ of its loss by week's end to close at $10.

Denny's, another management buyout candidate at $43 per share, lost 25¢, to close at $41.13.

ARA Services, whose buyout seems all but assured, hit a new high for the fifth straight week, gaining 38¢, to close at $71.13.

Restaurant Associates topped the volume trends list, with 66,300 shares trading hands, which is 288.5% higher than its 12-week average.

Kelly-Johnston, with trading 241.5% faster than average, dropped 13¢, to close at $1.63.

Leading price-percentage losers of the week were topped by Esteban Foods, down 50¢, to $1.25, a 52-week low.

The price-winners list was led by Horn & Hardart, which gained $1, to $9.88. Other winners: G. D. Ritzy's, up 25¢, to $2.63. Mr. Steak, up 13¢, to $1.38. Good Taco, up 13¢, to $1.63. Cracker Barrel, up $1, to $15. Winners Corp., up 25¢, to $5.88.

On earnings news during the week, Garcia's of Scottsdale hit a new low of $2 in intraweek trading, but recovered enough to close at $2.50, down 25¢ from the preceding Friday.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Rest Assoc	663	El Torito Rest	655
Kelly-Johnston	8,765	Denny's Inc	13,106
Shoney's South	1,020	So Hospitality	1,375
Garcias Scot	2,259	Prime Mtr Inn	1,189
Luby's Cafe	615	Hamburg Hamlet	25

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Horn & Hardart	3,553	Winners Cp	1,514
Ritzys G D	434	Pancho Mex Buffet	135
Mr Steak	386	Skippers	272
Good Taco	440	Disney, Walt	4,991
Cracker Barrel	254	Vie de France	850

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Esteban Foods	477	Concept Dev	621
Calibre Cp	81	Maverick Rest	155
Cucos Inc	52	Fuddruckers Inc	1,336
1 Potato 2	210	Flakey Jakes	1,866
Peoples Rest	1,935	Kapok Cp	946

	Stock Market											Financial Update																	
	Price							Volume										Latest Quarter						Year-to-Date					
	11-30-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Dvd. Rate		Latest Report			Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs O	3.50	- .25	- 6.7	3.88	3.50	8.75	3.50	128	.36	.34	5.9	10.0	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rest O	4.00	.00	.0	4.13	4.00	6.00	3.88	46	.19	.41	- 53.7	NE	.00	.0	—	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14	NE
Amer Rest O	3.25	- .25	- 7.1	3.50	3.25	6.00	3.25	52	.23	.57	- 59.6	11.6	.00	.0	—	3 mos.	04-84	4.5	21.6	.1	.0	.07	16.7	4.5	21.6	.1	.0	.07	16.7
ARA Services N	71.13	.38	.5	71.25	70.75	71.25	40.25	4,947	4.10	4.95	- 17.2	13.7	2.10	3.0	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19	15.1
Assoc Hosts M	13.25	- .50	- 3.6	13.75	13.00	17.13	10.50	2,524	5.71	5.69	.4	15.2	.12	.9	—	9 mos.	06-84	24.0	3.9	1.1	10.0	.23	4.5	71.1	9.0	3.0	30.4	.86	29.4
Beefsteak Char A	2.38	- .25	- 9.5	2.63	2.38	4.75	2.38	631	1.12	.66	69.7	1.8	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms M	17.50	- .25	- 1.4	17.50	17.25	23.75	14.75	675	.41	.37	10.8	17.5	.30	1.7	—	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27	8.0
Calibre Cp M	2.75	- 1.00	- 26.7	3.25	2.50	9.00	2.75	81	.27	.21	28.6	NE	.00	.0		fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food M	8.75	- .38	- 4.1	9.13	8.75	10.75	7.25	1,476	3.26	1.82	79.1	15.4	.16	1.8	—	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31	19.2
Capt Crab M	1.75	- .13	- 6.7	2.00	1.63	6.13	1.63	2,183	1.91	2.08	- 8.2	NE	.00	.0	—	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)	NC
Carrols Cp N	9.25	- .13	- 1.3	9.50	9.13	10.38	7.13	879	1.14	.71	60.6	14.0	.07	.8	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28	- 6.7
Chi-Chi's M	10.38	- .38	- 3.5	10.75	10.13	24.88	10.00	8,198	3.05	4.48	- 31.9	14.8	.00	.0	—	3 mos.	07-84	45.2	27.3	5.0	38.9	.19	26.7	45.2	27.3	5.0	38.9	.19	26.7
Chilis Inc O	20.88	- 2.00	- 8.7	22.75	20.88	24.25	12.75	1,217	2.71	4.45	- 39.1	35.4	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch N	28.50	.13	.4	28.63	27.75	30.50	21.25	2,033	1.08	1.85	- 41.6	14.8	.80	2.8	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods N	14.25	.00	.0	14.63	14.13	16.94	9.91	1,465	1.12	1.02	9.8	11.5	.16	1.1	—	3 mos.	07-84	115.1	24.3	4.8	23.1	.37	19.4	115.1	24.3	4.8	23.1	.37	19.4
Concept Dev O	6.75	- 1.25	- 15.6	7.50	6.75	17.69	6.00	621	1.20	2.01	- 40.3	13.0	.00a	.0	—	3 mos.	09-84	10.9	19.8	2.1	133.3	.00	- 100.0	10.9	19.8	2.1	133.3	.00	- 100.0
Consol Prdts M	5.00	.00	.0	5.13	5.00	9.50	4.75	60	.17	.74	- 77.0	14.3	.00	.0		fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant M	4.88	- .25	- 4.9	5.13	4.63	14.88	4.75	1,168	2.59	2.05	26.3	19.5	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01	- 87.5
Cracker Barrel M	15.00	1.00	7.1	15.75	14.00	23.50	11.75	254	.71	4.18	- 83.0	16.0	.14	.9		3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	3.00	- .75	- 20.0	3.75	3.00	5.00	3.00	52	.46	.41	12.2	15.8	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc N	41.13	- .25	- .6	41.38	39.50	41.63	30.25	13,106	8.47	4.19	102.1	15.5	.72	1.8	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods M	10.00	- .38	- 3.6	10.25	9.63	19.13	9.63	16,440	4.90	10.55	- 53.6	11.0	.26	2.6	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer O	14.38	.13	.9	14.50	14.25	14.38	11.50	674	1.38	NC	NC	NM	.00	.0		6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts M	23.75	.38	1.6	24.25	23.38	26.25	18.13	843	1.78	1.03	72.8	13.0	.32	1.3	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44	16.1
El Chico M	8.63	.00	.0	8.75	8.63	14.75	7.75	592	1.27	2.09	- 39.2	10.8	.00	.0	—	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20	.0
El Torito Rest N	11.25	- .38	- 3.2	12.25	11.13	14.63	9.00	655	.59	.28	110.7	11.8	.00	.0	—	9 mos.	09-84	65.9	17.3	4.1	5.1	.35	40.0	189.0	20.5	9.0	32.4	.78	52.9
Fast Food Oper O	1.06	- .13	- 10.5	1.13	1.00	2.44	.69	511	.86	1.06	- 18.9	17.7	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes M	6.38	- 1.00	- 13.6	7.38	6.00	9.13	4.00	1,866	2.68	1.91	40.3	NE	.00	.0	—	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)	NC
Frisch's A	15.25	.00	.0	15.50	15.13	16.38	12.00	17	.04	.16	- 75.0	16.9	.22	1.4	—	3 mos.	08-84	40.5	7.4	1.7	.0	.19	- 52.5	40.5	7.4	1.7	.0	.19	- 52.5
Fuddruckers Inc M	11.00	- 1.75	- 13.7	12.75	10.75	17.50	9.25	1,336	2.05	1.56	31.4	NM	.00	.0		9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	172.6	.0	- 100.0	.00	- 100.0
Garcias Scot M	2.50	- .25	- 9.1	2.50	2.00	8.50	2.00	2,259	3.77	1.48	154.7	NE	.00	.0	—	6 mos.	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00	NE
Good Taco M	1.63	.13	8.3	1.75	1.38	7.00	1.38	440	1.48	1.18	25.4	NE	.00	.0		6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hamburg Hamlet O	12.50	.25	2.0	13.50	12.50	12.75	9.75	25	.35	.19	84.2	10.8	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	4.50	- .38	- 7.7	4.88	4.38	9.00	4.25	555	1.96	1.20	63.3	25.0	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen O	41.00	.00	.0	42.00	41.00	41.00	32.50	11	.05	.24	- 79.2	11.9	.00	.0	—	9 mos.	08-84	40.8	8.2	(26.6)	- 100.0	1.61	15.8	106.5	14.3	6.6	6.5	3.03	20.2
Intl King Tab M	15.75	- .50	- 3.1	16.50	15.75	18.63	11.38	429	1.51	1.92	- 21.4	11.8	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest M	14.25	.00	.0	14.50	14.13	16.25	10.38	414	1.82	1.49	22.1	12.8	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80	15.9
Jerrico Inc M	16.25	- 1.13	- 6.5	17.50	16.13	19.63	11.88	3,460	2.20	4.82	- 54.4	12.5	.12	.7	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp A	2.88	- .38	- 11.5	3.25	2.63	5.75	1.13	946	4.22	2.89	46.0	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl M	16.00	.25	1.6	16.25	15.75	33.75	14.63	609	.86	3.06	- 71.9	9.9	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston M	1.63	- .13	- 7.1	1.88	1.25	15.00	1.25	8,765	10.28	3.01	241.5	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	26.50	- 2.88	- 9.8	29.38	26.50	32.00	23.63	615	.51	.23	121.7	18.5	.54	2.0	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp M	14.75	- .13	- .8	14.88	14.50	15.25	11.38	126	.25	.26	- 3.8	10.2	.28	1.9	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp N	72.13	- 4.00	- 5.3	76.25	71.50	80.25	58.50	1,378	.54	.71	- 23.9	16.0	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest O	3.75	- .63	- 14.3	4.38	3.75	7.00	3.75	155	.31	.32	- 3.1	28.8	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10	NC
McDonald's Cp N	51.50	- 1.88	- 3.5	53.50	51.00	55.88	40.84	7,834	.89	1.20	- 25.8	12.1	.82	1.6	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc M	16.75	- .13	- .7	16.75	16.38	19.13	13.13	789	.58	.99	- 41.4	10.9	.48	2.9	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak O	1.38	.13	10.0	1.63	1.13	3.34	1.13	386	.81	1.21	- 33.1	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nathans O	2.38	.00	.0	2.50	2.38	2.97	1.78	165	.74	.54	37.0	9.1	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza O	8.00	.00	.0	8.25	8.00	9.75	7.50	131	.24	.42	- 42.9	10.5	.00	.0	—	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc M	7.63	- .38	- 4.7	8.13	7.63	20.25	7.00	264	.57	1.72	- 66.9	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)	- 100.0

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

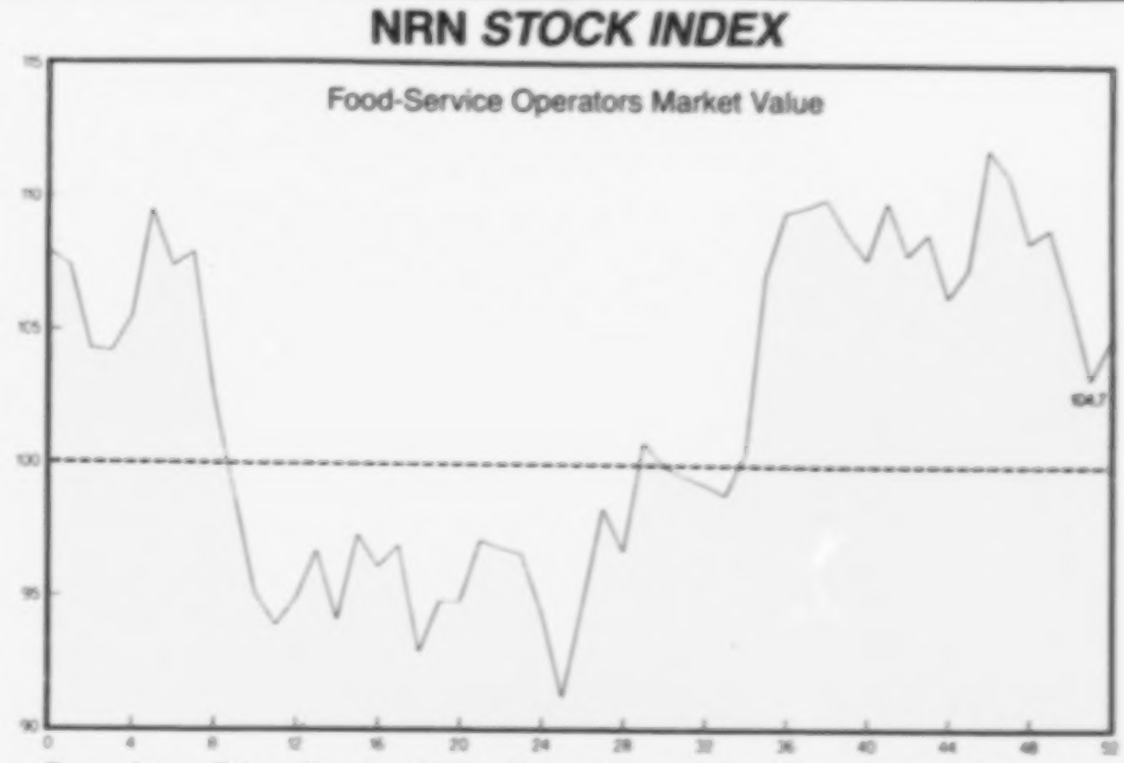
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

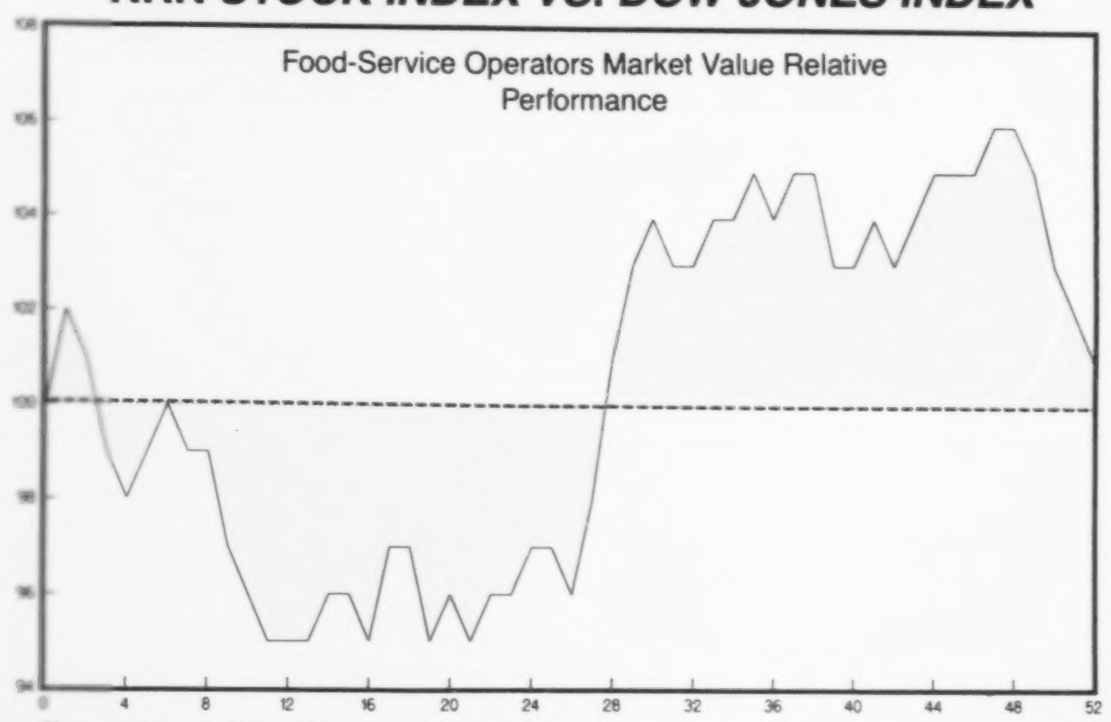
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



Oct. 28, 1983 = 100

Company and Market	11-30-84 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Volume Weekly Shares Traded Total	Volume Weekly Shares Traded % Out	Volume 12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Dividend Rate Amt.	Indicated Dividend Rate Yld.	Latest Report New Report	Latest Report Period	Latest Report Date Ended	Latest Quarter Revenue Amt.	Latest Quarter Revenue Chg.	Latest Quarter Net Income Amt.	Latest Quarter Net Income Chg.	Latest Quarter E.P.S. Amt.	Latest Quarter E.P.S. Chg.	Year-to-Date Revenue Amt.	Year-to-Date Revenue Chg.	Year-to-Date Net Income Amt.	Year-to-Date Net Income Chg.	Year-to-Date E.P.S. Amt.	Year-to-Date E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
1 Potato 2 O	3.00	- .63	- 17.2	3.63	3.00	12.50	3.00	210	.96	1.04	- 7.7	60.0	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd O	5.00	- .25	- 4.8	5.50	5.00	7.25	4.75	29	.21	.34	- 38.2	9.1	.00	.0	—	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet M	6.50	.25	4.0	6.50	6.25	8.00	5.88	135	.48	.64	- 25.0	11.8	.13	2.0	—	fiscal	09-84	8.9	25.4	.5	.0	.19	11.8	31.7	26.3	1.5	25.0	.55	27.9
Peoples Rest M	.63	- .13	- 16.7	0.75	0.63	8.13	.50	1,935	2.25	5.98	- 62.4	NE	.00	.0	—	fiscal	06-84	NC	NC	(21.8)	- 100.0	(2.61)	- 100.0	32.9	57.4	(23.8)	- 100.0	(2.85)	- 100.0
Piccadily Caf M	18.13	- .63	- 3.3	18.75	17.88	24.25	13.13	296	.49	.87	- 43.7	11.2	.60	3.3	—	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn A	7.13	- .50	- 6.6	7.50	6.88	15.00	6.88	451	1.48	1.14	29.8	6.9	.08	1.1	—	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks M	11.38	- .38	- 3.2	11.88	11.13	16.63	10.25	412	.93	1.07	- 13.1	15.2	.00	.0	—	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys N	12.88	- .88	- 6.4	13.88	12.00	24.88	12.00	3,445	3.59	3.71	- 3.2	7.5	.40	3.1	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	3.63	.00	.0	3.75	3.63	7.00	2.38	442	1.60	1.38	15.9	33.0	.00	.0	—	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants M	10.25	- .25	- 2.4	10.75	10.00	19.75	10.25	1,044	1.87	1.07	74.8	16.3	.00	.0	—	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23	35.3
Rest Assoc A	7.63	.00	.0	8.00	7.38	9.50	6.50	663	2.37	.61	288.5	10.7	.00	.0	—	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys M	12.50	.00	.0	12.75	11.75	14.25	9.00	83	.36	.61	- 41.0	14.7	.00	.0	—	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D M	2.63	.25	10.5	2.63	2.38	9.00	2.25	434	.84	.92	- 8.7	NE	.00	.0	—	9 mos.	09-84	4.4	NC	(.5)	NC	(.11)	NC	10.6	NC	(1.6)	NC	(.31)	NC
Rusty Pelican M	15.63	- .38	- 2.3	16.25	15.63	18.25	11.38	584	2.10	3.11	- 32.5	18.4	.00	.0	—	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak M	19.25	- .25	- 1.3	19.63	19.25	24.25	15.50	870	2.02	1.44	40.3	27.9	.00	.0	—	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53	47.2
Saga Corp N	30.38	- 1.13	- 3.6	31.75	28.88	35.50	24.63	1,566	1.20	1.01	18.8	12.3	.44	1.4	—	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef M	8.00	.00	.0	8.25	7.75	11.75	6.75	33	.26	.54	- 51.9	13.8	.00	.0	—	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley M	7.75	- .63	- 7.5	8.25	7.63	11.00	7.13	1,091	2.78	4.11	- 32.4	5.2	.00	.0	NEW	9 mos.	09-84	15.7	- 38.9	3.0	500.0	.76	484.6	48.3	- 32.7	5.3	1666.7	1.35	1587.5
Shoney's Inc M	29.63	- .63	- 2.1	30.50	29.63	35.13	20.00	811	.39	.95	- 58.9	21.5	.16	.5	—	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South M	13.75	- .25	- 1.8	14.25	13.75	16.59	11.00	1,020	1.82	.66	175.8	11.7	.00	.0	—	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.:	1.00	23.5
SIS Cp M	4.50	- .25	- 5.3	4.50	3.50	10.00	3.50	73	.47	.35	34.3	32.1	.00	.0	—	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl M	15.00	- 1.50	- 9.1	16.50	14.50	18.75	8.75	346	.51	.71	- 28.2	12.8	.00	.0	—	fiscal	04-84	37.7	18.6	2.4	50.0	.37	54.2	142.3	11.2	7.9	36.2	1.17	15.8
Skippers M	10.00	.25	2.6	10.25	9.75	11.25	8.00	272	1.00	.83	20.5	12.2	.06	.5	—	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60	1.7
So Hospitality M	4.38	.00	.0	4.63	4.38	5.13	3.75	1,375	2.87	1.50	91.3	12.9	.00	.0	—	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva M	7.75	.00	.0	8.00	7.50	10.00	7.00	206	.90	.87	3.4	18.5	.00	.0	NEW	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's N	8.75	- .38	- 4.1	9.38	8.75	17.88	8.63	544	.48	.83	- 42.2	14.8	.00	.0	—	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas O	2.38	.00	.0	2.75	2.38	7.50	2.25	24	.16	.19	- 15.8	NE	.00	.0	—	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC
Transworld N	30.63	.50	1.7	31.25	29.88	33.53	23.63	9,803	3.48	3.20	8.8	4.4	.40	1.3	—	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes M	3.50	- .25	- 6.7	3.88	3.50	5.00	2.75	129	.25	.45	- 44.4	NA	.00	.0	—		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants M	15.88	.25	1.6	16.25	15.88	22.00	13.25	280	.42	2.92	- 85.6	13.3	.12	.8	NEW	9 mos.	07-84	67.7	127.9	2.7	68.8	.41	57.7	155.1	167.4	5.8	100.0	.87	64.2
Victoria Stations M	3.13	- .13	- 3.8	3.25	3.00	9.63	2.75	407	1.15	8.33	- 86.2	NE	.00	.0	—	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl N	17.00	- .50	- 2.9	17.88	16.75	20.50	13.13	7,010	1.29	1.27	1.6	14.2	.28	1.6	—	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer O	10.25	.00	.0	11.00	10.25	13.25	9.00	40	.33	.48	- 31.3	11.1	.20	2.0	—	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33	- 23.3
Winners Cp N	5.88	.25	4.4	6.25	5.63	16.25	5.38	1,514	3.46	2.99	15.7	12.0	.00	.0	—	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Am Motor Inns A	21.25	.00	.0	21.38	21.25	21.75	12.50	139	.12	.13	- 7.7	13.4	.16	.8	—	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59	- 36.9
Brock Hotel Cp N	3.25	- .25	- 7.1	3.50	3.00	7.63	3.00	1,701	1.29	1.33	- 3.0	NE	.10	3.1	—	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels N	54.50	- 1.00	- 1.8	55.63	54.50	59.25	45.50	1,620	.62	.95	- 34.7	21.8	1.80	3.3	—	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns N	40.88	- .63	- 1.5	42.63	40.38	52.00	35.25	3,480	.97	2.02	- 52.0	12.0	.90	2.2	—	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn N	23.63	- .38	- 1.6	24.38	23.38	25.50	16.00	1,186	.82	.43	90.7	19.7	.12	.5	—	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns N	5.75	- .25	- 4.2	6.13	5.38	11.00	5.38	6,545	1.76	1.91	- 7.9	19.2	.00	.0	—	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc M	18.50	- 1.38	- 6.9	19.88	18.50	24.50	13.50	27	.09	.30	- 70.0	12.7	.00a	.0	—	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89	43.5
Sonesta Intl O	19.00	.00	.0	21.00	19.00	19.00	16.50	9	.06	.04	50.0	NE	.30	1.6	—	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev M	16.75	- 1.13	- 6.3	17.38	16.75	20.00	13.50	340	.57	2.05	- 72.2	11.0	.80	4.8	—	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut N	8.63	.13	1.5	8.75	8.38	14.56	7.75	377	.82	.62	32.3	95.8	.48	5.6	—	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt N	58.63	1.50	2.6	59.50	57.13	68.50	45.25	4,991	1.48	4.14	- 64.3	21.5	1.20	2.0	—	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1
Esteban Foods O	1.25	- .50	- 28.6	1.75	1.25	4.75	1.25	477	2.04	1.37	48.9	NM	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	50.00	- 1.00	- 2.0	51.25	49.75	60.00	41.63	2,707	.60	1.03	- 41.7	10.7	2.24	4.5	—	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20	- 21.1
Horn & Hardart A	9.88	1.00	11.3	10.63	8.63	23.31	8.63	3,553	2.87	2.34	22.6	11.5	.00a	.0	—	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp N	27.38	- .13	- .5	27.88	27.00	31.38	24.13	1,132	.80	1.23	- 51.2	12.4	1.80	6.6	—	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc N	43.13	- 1.50	- 3.4	45.00	42.88	45.75	34.50	10,116	1.08	1.13	- 4.4	12.6	1.68	3.9	—	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co N	40.25	- 2.25	- 5.3	42.50	39.75	44.63	33.00	2,209	.51	.78	- 34.6	10.0	1.56	3.9	—	3 mos.	06-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France M	12.50	.25	2.0	12.50	12.00	15.25	10.50	850	.79	.49	61.2	21.2	.23	1.8	—	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

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ARA services

New York's top chefs team for awards fete —Focus/F28-32

With a slackening economy, is a shakeout far behind? —Page 132

Nation's Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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Tiny burgers, huge volume

White Castle store sales top the giants

By Paul Frumkin

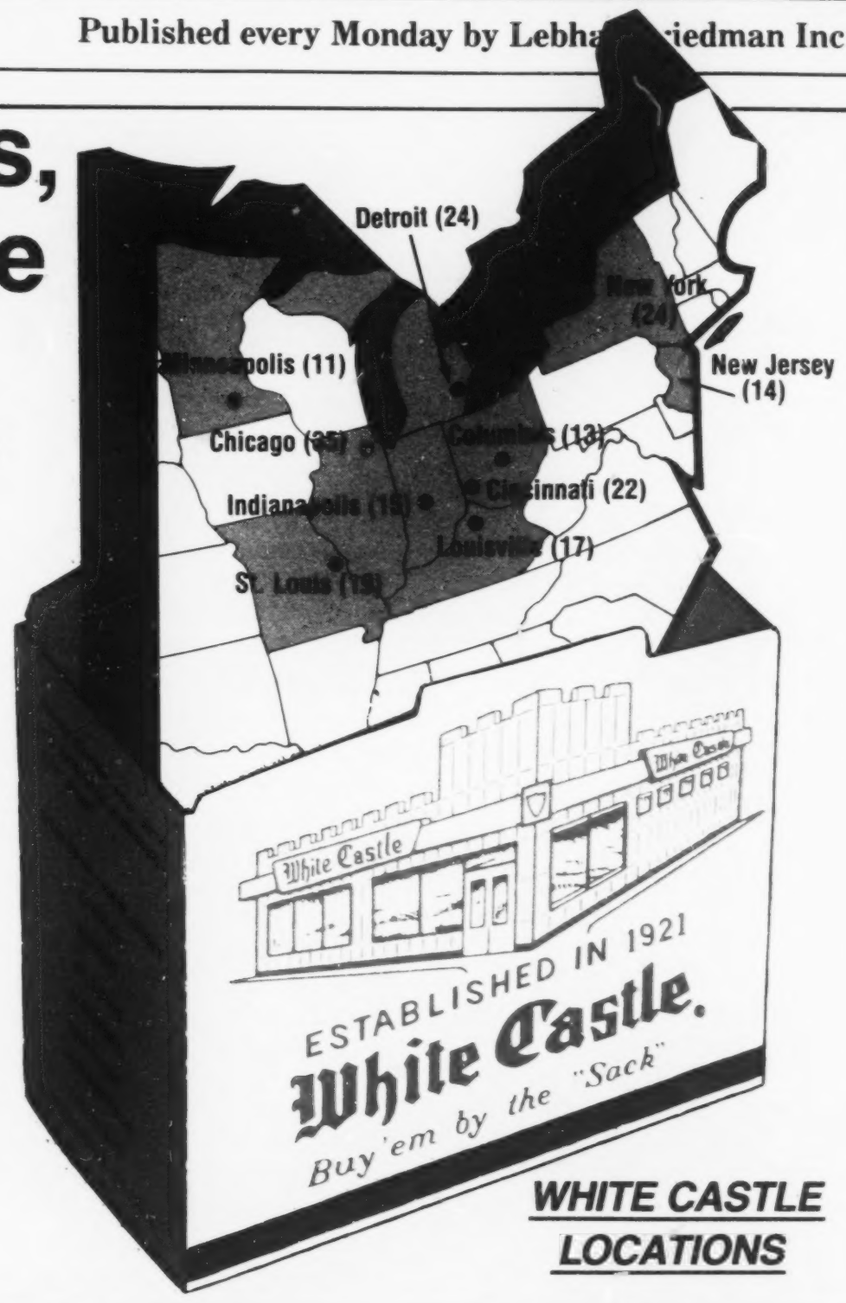
COLUMBUS, Ohio — With average store sales hitting the $1.3 million mark in 1984, seminal fast-feeder White Castle continues to outperform far larger and better-known competitors by simply doing what it has done for the past 63 years—selling low-cost, no-frills hamburgers.

But the fact that its pared-down menu hasn't changed appreciably in six decades doesn't mean that the privately held chain is treading water. In addition to an ongoing schedule of unit renovation, White Castle has embarked on a program of accelerated expansion that should result in the opening of its first restaurant west of the Mississippi by late next year.

White Castle, which operates only 194 units in the Midwest and Northeast, is all but dwarfed by rival fast-feeders McDonald's and Burger King. Yet White Castle leads the pack in average store sales: McD will do a little better than $1.2 million a unit this year, while Burger King's stores will bring in about $1 million each.

One reason for White Castle's remarkable track record is its distinctive, 2-oz. square burger—known affectionately to its fans as a "slider." "You don't go to a White Castle because of the atmosphere or broad menu selection," said E. W. Ingram III, president

*(See **WHITE CASTLE**, page 9)*



WHITE CASTLE LOCATIONS

Reagan cutbacks could close S.B.A.

Restaurateurs, franchisees fear loss of low-cost loans

Nutritional programs, food inspection and service programs would be sharply cut.

By Ken Rankin

WASHINGTON — The Reagan Administration's proposal to trim the Federal budget by eliminating the Small Business Administration (SBA)—a move that would choke off a key source of Federally subsidized loans and loan guarantees for fledgling restaurants and other small businesses—is causing concern among independent operators and franchisees.

In addition in wiping out the S.B.A., the tentative plan also would sharply cut back Government spending for nutritional programs and reduce existing Agriculture Department food inspection and service programs. The Administration is trying to slice the budget by $34 billion next year.

Under the plan, existing S.B.A. loans to independent restaurateurs and fast-food franchisees would not be recalled, but the loans would be sold off to commercial lenders and other non-Government institutions. This would reduce the Federal budget by an estimated $1.6 billion.

Officials at both the Food Service and Lodging Institute and the International Franchise Association said that elimination of the S.B.A. would hurt efforts by fast-food chains to secure affordable financing for incoming franchisees. But neither group expects serious industry opposition to the Administration's budget.

*(See **S.B.A.**, page 129)*

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Strike ends

Most San Francisco workers return to their jobs

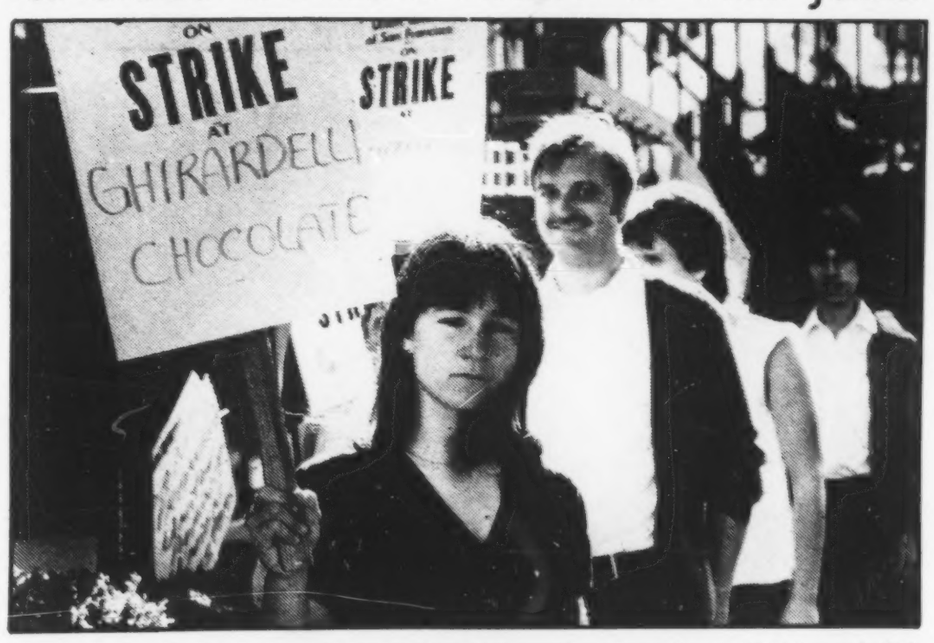
By Richard Martin
West Coast Editor

SAN FRANCISCO — Picket-line strife and confrontation have subsided outside dozens of San Francisco's best-known restaurants following settlement of a bitter 13-week-old strike by culinary workers.

Seen as a victory for restaurant owners and a stinging defeat for the city's largest union, the accord gives owners nearly all the major contract concessions they had sought, including a temporary wage freeze and tighter health benefit eligibility.

All 1,200 strikers will re-

*(See **STRIKE**, page 129)*



Deborah Frahat leads picket line in front of Ghirardelli Chocolate during height of 13-week-long strike.

SEASON'S GREETINGS
from the staff of *Nation's Restaurant News*

The next issue of *Nation's Restaurant News* will appear on Jan. 2. Happy New Year!

Druther's pushing for full-scale turnaround

By Don Jeffrey

LOUISVILLE, Ky. — Druthers, the 161-unit regional fast-food chain that was on the brink of a Chapter 11 filing just over two years ago, has turned around: Profit and store sales are up, debt is down and franchisees are confident.

Though all signs are pointing up, the Louisville-based chain—formerly called Burger Queen—still primarily operates in markets that have suffered the most severe economic and weather conditions of any in the nation.

But sources believe that its successful penetration of small-town markets, its relatively low fixed costs and its varied fast-food menu will bolster its chances to survive further general economic setbacks.

A conservative, though youthful, closely held private corporation, Druthers remains cautious about chain growth. Unit development has virtually been at a standstill; new openings are offset by store closings. Restaurants are concentrated in a seven-state Midwestern-Appalachian region, with 70% in Kentucky. Fifty are company-owned, 11 franchised.

Unit growth is projected at 15% next year—about 25 new openings (17 franchised).

This year Druthers has severed its international connection and put foreign growth on hold. It sold its 15 Huckleberry's restaurants in Britain to their licensee-operator, the British conglomerate Grand Metropolitan, for an undisclosed sum. Expansion in other nations, attempted in the 1970's, did not work out.

For the fiscal year ended Oct. 31, Druthers reported systemwide sales of about $100 million, not including the British units. Company revenue was $35.1 million, compared to an annualized $29.1 million in 1983. Net profit was up 22%, to $2.8 million. Average store sales rose 9.6%, from $573,000 to $630,000. There was no menu price increase.

The debt/equity ratio, meanwhile, was reduced from about 10.5/1 to about 6.5/1, as Druthers paid off more than $4 million in debt.

"We've won the right to get back in the game in good shape," said 37-year-old president and chief executive Thomas Hensley. "The challenge now is for our people to show the same kind of commitment to developing the chain as they had in saving the chain."

Franchisees report confidence in the direction from corporate headquarters. Several years ago a dissident franchisee group apparently forced management to open up closed lines of communication. Good relations are the rule now. One franchisee said, "There's not much smoke in Mr. Hensley. He's a square businessman."

Credit is also given to chairman Bob Gatewood, 35, and

*(See **UP**, page 129)*

"The challenge now," says Thomas Hensley (above), "is for our people to show the same kind of commitment to developing the chain as they had saving the chain."

Consumer group tells F.D.A. it backs NRA sulfite ban

By Judith Packer

Washington Bureau

WASHINGTON — In testimony presented before a Food and Drug Administration (F.D.A.) scientific review panel in late November, consumer activists supported the National Restaurant Association's (NRA) proposal to restrict the food-service industry's use of sulfites as food preservatives.

Although Michael F. Jacobson, executive director of the Center for Science in the Public Interest (CSPI), said his consumer group agreed totally with the NRA on imposing a partial ban of sulfites in salad ingredients and precut potatoes, he explained that CSPI's broader basic position seeks to "outlaw all unnecessary uses of sulfites," including their use in packaged foods and drugs.

In an open meeting to re-examine the "Generally Recognized as Safe" (GRAS) status of sulfites, Jacobson testified that "the most dangerous use of sulfites is in restaurant food because [they] can be added directly to the food immediately before consumption under conditions that may not be well controlled."

The CSPI testimony that current use of the food fresheners poses hazards to nonasthmatics as well as to "substantial numbers of asthmatics" contradicts the ad hoc panel's tentative report published in October.

In that report the Life Sciences Research Office of the Federation of American Societies for Experimental Biology (FASEB) concluded that no current information demonstrates that sulfites are hazardous to the general public. Pending further studies, the FASEB panel recommended the labeling that the NRA and the CSPI contested.

Although the CSPI expressed serious concern over sulfite use by the food-service industry, Jacobson agreed with the NRA that "labeling cannot adequately protect the public." Instead, the CSPI urged the review panel to "send a clear signal to the F.D.A. that sulfites should be banned."

Jacobson underscored the many possible problems if the F.D.A. were to enforce the labeling of sulfites.

"The labeling of restaurant foods cannot be ensured because the F.D.A. has a significant jurisdictional problem when it comes to regulating such food," Jacobson said, adding that F.D.A. officials are themselves divided over whether a labeling requirement should extend to restaurant meals or should apply only to packaged food.

Aside from jurisdictional problems, Jacobson said that the F.D.A. is "faced with the impossible task of overseeing compliance with a mandatory labeling rule for restaurants.

"With more than 500,000 restaurants and other retail food operations in existence, the F.D.A. lacks the resources to ensure that the food industry will comply with such a rule," Jacobson said.

The CSPI also found it likely that restaurant labeling, even if enforced initially, is ultimately likely to fall into disuse.

In addition, the CSPI testified that "restaurants may purchase unlabeled sulfite-treated foods from wholesalers.

"If the restaurant does not know it is serving sulfite-treated foods, it cannot possibly alert patrons," Jacobson noted.

The CSPI also asserted that FASEB's reliance on the labeling of restaurant and packaged foods is inadequate because "many people are unaware that they are sulfite-sensitive."

*(See **SULFITE**, page 129)*

COMMODITIES

Changes in farm subsidies must be made slowly

By Gary S. Friedman

Commodities Analyst

There has been a lot of discussion lately concerning China's radical departure down the path of free market initiatives. During the Cultural Revolution, such talk would have branded the speaker a "capitalist running dog," worthy of contempt and likely to be dealt with severely. However, the tremendous productivity of China's farmers, brought about by a free market approach, has convinced policy planners to implement the free market approach in other sectors of the Chinese economy.

Oddly enough, here in the United States our agricultural sectors suffer from a variety of problems, too much productivity being one of them. The result is that commodity surplus is building on surplus, and commodity prices are at very low levels. For example, a bushel of soybeans, worth just under $10 in 1974, is worth only about $6 today. Compare this with the price of farm equipment, today approximately equaling the cost of a house in a Northeastern suburb.

All of this is occurring under a system of price supports enacted during the Great Depression that can hardly be said to conform to a free market approach.

In 1985 all of this might change as the old Agricultural Law expires and a new one must be drafted. The Reagan Administration, facing pressure to reduce the budget deficit, is looking in ways seldom perceived possible to cut spending. The farm programs, once a sacred cow, are being scrutinized.

Those who favor dismantling these price supports come from all camps. Budget-conscious bureaucrats, disenchanted producers who can't see prices improving under the present system and the general public—realizing that Government need not be as pervasive in its reach—are waiting and watching.

The price support system, comprised of complicated loan rates and reserves, if triggered, can flood the market with commodities or turn the flow into a trickle. In effect, there was a floor beneath which it was unlikely prices would fall.

The farmers of America, although not entirely organized, would react to the same farm programs and refuse to sell in unison, until tax time, or until seeding bills came due, or until harvest storage considerations forced them to sell cash commodities. Analysis was somewhat cyclical if it could not be predictable.

Futures trading serves many purposes. One of them is that of a price-finding mechanism, to peg perceptions of future events as they have a bearing on supply and demand. To meet analysts, who have used price supports as the boundaries in which cash prices can move—and hence the futures, too—the prospect of no supports and no loan rates would make forecasting price movements even more slippery. Without such supports, anything can happen. Prices could swing so quickly that fortunes would be made or lost while you executed a trade with your broker.

With the proposal of such a radical change to a system that has been in existence as long as most of us can recall, changes will have to be undertaken step by step. If the system is dismantled, most expect lower prices in the short run. The producer will feel the pain first. The market will have more time to adjust, and its freedom of movement might become the determinant of prices.

PRICE MOVEMENT AT A GLANCE

Cash Prices	Dec. 5, 1984	Year ago
Broilers, dressed, N.Y.C., lb.	$0.4803	$0.5681
Butter, AA, Chicago, lb.	$1.5975	$1.41
Eggs, large, white, Chicago, doz.	$0.69-$0.71	$0.94
Flour, HRW, K.C., cwt.	$9.85	$9.30
Peanut oil, crude, Southeast, lb.	$0.42	$0.50
Pepper, black, N.Y.C., lb.	$1	$1.07
Sugar, beet, ref., Chicago, lb., f.o.b.	$0.3150	$0.3110

Source: NRN Research

White Castle: Only the burgers remain small

(Continued from page 1)

and chief executive and son of the chairman, in a recent interview.

The meat patties, which are about 25% fat and 75% good quality lean—preferably chuck—are grill-steamed and served on a square bun, and topped by a portion of rehydrated onions. Both bun and onions are steamed along with the patty.

"It's really an acquired taste," notes Robert Corea, vice president of research and restaurant analyst for the Ohio Co., a Columbus-based brokerage house. "But it has a real cult following."

Though White Castles reputedly attract lower- to moderate-income customers, Corea points out that "here in Columbus it's a very upscale thing to have a cocktail party and serve 'sliders' as hors d'oeuvres."

Because of the burgers' tiny size—patty, onions and bun weigh 2.025 oz. after cooking—people tend to gobble three, four or five at a sitting. In fact, when the first White Castle opened in Wichita, Kan., in 1921, newspaper ads urged consumers to "Buy 'em by the sack."

But with an average price tag of only 28¢ each, the bill rarely gets out of hand. The chainwide check average currently stands at $2.51 per person—Burger King has a check average (excluding breakfast) of about $3, and McDonald's $3.15—which is another compelling argument for White Castle's outstanding performance in the segment.

According to White Castle spokesman Gail Turley, the chain is quite resistant to price increases. The cost of the basic burger has gone up by only 2¢ since 1982.

"We've also refused to follow the lead of the larger chains by adding super-deluxe sandwiches to increase our check average," he adds.

To some extent, however, White Castle did choose to follow the lead of the other chains when it came to renovation and upscaling of restaurants. As the company broadened its site-selection horizons, moving from the somewhat seedy inner-city locations out onto the interstate highways and into smaller towns, it began to experiment with more contemporary designs.

At one point a unit that replaced the famous white porcelain/steel exterior with a very suburban-looking cedar wood and cement block facade was tested. However, hardcore White Castle customers—whom Turley characterizes as a fairly vocal bunch—protested. One journalist, he says, even went so far as to write an article in which he accused the company of "messing with my childhood."

Interior renovation, however, is an ongoing project for the chain, into which a large portion of its revenue has been pumped—at least until recently. New restaurants, in addition to renovated older units, are more family-oriented, with earth-toned vinyl wall coverings, wood veneer tables and booths and even plants. "We are changing our image somewhat," Turley says. "We're softening—shifting away from the austerity of the porcelain palaces."

With much of the renovation work behind it, White Castle is beginning to apply its revenues—$238 million in 1984—to chainwide expansion. With the majority of its units operating in the Midwest and Northeast, the burger chain has plotted a course calling for 40 new units to be added through 1986, and 25 each year after that through at least 1988.

While most of the new units will be positioned in existing markets, new areas of penetration have also been mapped out—particularly in Kansas City, Nashville and Cleveland.

"We're looking seriously at those cities right now," Turley says. "And we'll probably have a unit in place in Kansas City by the end of 1985."

Moreover, White Castle is drawing away from its traditional inner-city market-

Modern White Castle.

places. "Approximately 75% of the new locations we've chosen during the past three years have been away from the center of cities," Turley explains. The chain has even built one in-store unit in a Modell's in East Meadow, N.Y.

However, while the company is forging ahead, it did suffer a setback in an earlier attempt at overseas expansion. White Castle uncharacteristically agreed to franchise restaurants in Hong Kong several years ago, but quickly discovered that the franchisees "were not restaurant people" and it broke off the agreement. It is currently negotiating with another group for franchise expansion in Asia, Turley says.

But with or without franchisees, White Castle is on the move. Besides the 20 new units added last year, White Castle recently completed construction on a $7 million bakery—its third—in Rensselaer, Ind., as well as a new meat-processing plant in Orleans, Ind. Responsible for producing nothing but hamburgers and buns for the chain, both projects will help fuel faster growth, according to Turley.

One reason cited for the current expansion is simply the timing. Edgar Ingram, current chairman and the son of founder E. W. "Billy" Ingram, chose to concentrate the company's resources on building a strong distribution system during his tenure as president. "For years we had small inadequate offices and warehouses," Turley explains. "He built the bakeries and a new headquarters in Columbus. He essentially laid a foundation."

His son and current chain president and chief executive officer, E. W. Ingram III—termed somewhat more aggressive and less financially conservative than his father—inherited that strong foundation when he took the reins in 1979, and consequently was able to concentrate on unit growth.

Another reason given for the chain's expansion drive is its policy of rewarding its employees and encouraging long-term service. All White Castle unit managers are promoted up through the ranks rather than hired from without. "We have a lot of excellent career employees, and if we don't have places to promote them into, they'll leave," Turley says.

But despite all of the movement within White Castle, the menu remains reasonably similar to the one "Billy" Ingram implemented in the first unit in 1921. In fact, the largest chainwide rollout in recent years was diet sodas in the 1970's, and before that a deep-fried fish sandwich in 1963.

A lightly breaded chicken sandwich is available for 59¢ in the 13 Columbus stores, and a similar turkey sandwich is on the menus in Cincinnati and Minneapolis units. There is even a breakfast sandwich—a deep-fried sausage patty, with scrambled eggs and a slice of cheese served on a standard White Castle bun—in test at a few Columbus stores.

However, the chain seems to remain skeptical about new products. It doesn't even like to suggest new products to its stores. "We believe that new items are best initiated by regional managers," Turley notes. "They're closer to the customers."

1984 CHAIN COMPARISON

	White Castle	McDonald's	Burger King	Wendy's
Number of Units	194	8,278	4,200	2,948
Systemwide Sales	$238 mil.	$9.5 bil.	$4.1 bil.	$2.5 bil.
Average Same-store Sales	$1.3 mil.	$1.23 mil.	$1.04 mil.	$911,000

White Castle's early evolution: The first White Castle (top), essentially a concrete block, opened in Wichita, Kan., in 1921. Stucco was added to the concrete in 1922 (center, top), and by 1926, units featured white enamel glazed brick (center, bottom). Interiors evolved slowly. Through the 1950's units were designed much like diners. A Cincinnati store (right, top) dates from 1945, the St. Louis unit (right, bottom) from 1958.